

**SCHOOL BUDGET REVIEW COMMITTEE[289]**

**Notice of Intended Action**

**Proposing rule making related to school district requests for modified supplemental amount and providing an opportunity for public comment**

The School Budget Review Committee (SBRC) hereby proposes to amend Chapter 1, “Organization and Administrative Procedures,” Chapter 4, “Agency Procedures for Rule Making,” and Chapter 6, “Duties and Operational Procedures,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 257.30.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 257.30, 257.31, and 257.40.

*Purpose and Summary*

The proposed amendments reflect changes brought about during the 2018 Legislative Session to the application and approval processes regarding Iowa school district requests for modified supplemental amount for programs for at-risk students, secondary students who attend alternative programs and alternative schools, and returning dropouts and dropout prevention. The amendments also reflect changes in terminology and SBRC procedures.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the SBRC for a waiver of the discretionary provisions, if any, pursuant to 289—Chapter 8.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the SBRC no later than 4:30 p.m. on September 3, 2019. Comments should be directed to:

Tom Cooley  
School Budget Review Committee  
Grimes State Office Building, Second Floor  
400 E. 14th Street  
Des Moines, Iowa 50319  
Phone: 515.725.1120  
Email: [tom.cooley@iowa.gov](mailto:tom.cooley@iowa.gov)

*Public Hearing*

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 3, 2019  
10 to 11 a.m.

State Board Room  
Grimes State Office Building, Second Floor  
400 E. 14th Street  
Des Moines, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department of Education and advise of specific needs by calling 515.281.5295.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend subrule 1.4(1) as follows:

**1.4(1) Number.** The committee shall meet and hold hearings each year and shall continue in session until it has reviewed budgets of school districts and completed the other duties as found in ~~2009 Iowa Code Supplement sections 257.30 and 257.31 as amended by 2010 Iowa Acts, House File 2030, and Iowa Code sections through~~ 257.32 and 260C.18B. A minimum of three sessions to hold hearings shall be scheduled each fiscal year and shall be held during the months of October, December, and March. Revisions to these regularly scheduled sessions may be made if there are scheduling conflicts, if the SBRC determines that additional sessions are necessary, or if there are not sufficient hearing requests to hold a session.

ITEM 2. Amend rule 289—4.6(17A), catchwords, as follows:

**289—4.6(17A) Regulatory flexibility analysis.**

ITEM 3. Amend rule ~~289—6.1(257)~~, definition of “Modified allowable growth,” as follows:

“~~Modified allowable growth supplemental amount~~” means an amount expressed in dollars which is added to the district's authorized budget.

ITEM 4. Amend subrule 6.3(3) as follows:

**6.3(3) Material for the hearing.**

a. Any information requested by the committee must be provided within the timelines requested by the committee in order for the school corporation to be included on the schedule for a hearing. ~~One original and 11 copies of written material, and one~~ full set of the materials provided electronically in a format that can be cut and pasted into official documentation, shall be submitted at least four weeks prior to the scheduled hearing. The SBRC chairperson may set an earlier due date for information if necessary for adequate review based on the quantity or complexity of hearings. If a school corporation's exhibits for a hearing the school corporation has requested are not received timely, the school corporation's hearing may be postponed to the next following regularly scheduled session. Where applicable, the committee will provide forms or checklists to school corporations to obtain uniform and comparable data for determining committee decisions.

b. School corporations shall include in their materials for the hearing a copy of the board minutes that include the official action taken by the applicable school corporation board on the subject of the hearing and authorizing the school corporation's administrative officials to request modified allowable growth supplemental amount or use of the unexpended fund balance.

c. to g. No change.

h. Applications for modified allowable growth supplemental amount for increased certified enrollment over the prior year's enrollment, applications for modified allowable growth supplemental amount to pay tuition costs for open-enrolled-out students who were not enrolled in the district on the certified enrollment date in the prior year, and applications for modified allowable growth supplemental amount for excess costs of instructional programs for limited English proficient students must be received no later than December 1 of the budget year.

i. Applications for modified allowable growth supplemental amount for ~~returning dropout and dropout prevention programs~~ adopted program plans for at-risk students, secondary students who attend alternative programs and alternative schools, and returning dropouts and dropout prevention shall be filed by ~~December~~ January 15 of the base year.

j. No change.

k. Applications described in paragraphs 6.3(3) "g" and "i" that are not timely filed will not be considered for supplemental aid or for modified allowable growth supplemental amount. Applications described in paragraphs 6.3(3) "h" and "j" that are not timely filed may be considered at the discretion of the SBRC.

ITEM 5. Amend subrule 6.3(7) as follows:

**6.3(7) Routine action by the committee.** School corporations do not need to be represented when action under consideration is for such items as cash reserve levies, ~~returning dropout/dropout prevention programs~~ adopted program plans for at-risk students, secondary students who attend alternative programs and alternative schools, and returning dropouts and dropout prevention, special education balances or other situations which are considered class actions as determined by the SBRC.

ITEM 6. Amend subrule 6.3(8) as follows:

**6.3(8) Basic policies.** The SBRC has established the following basic policies that it shall consider in rendering its decisions.

a. Modified allowable growth supplemental amount requests shall be considered only for costs up through the budget year, except where the Iowa Code expressly authorizes modified allowable growth supplemental amount to be granted for a subsequent year.

b. Modified allowable growth supplemental amount requests shall be considered only for expenditures permitted from the general fund pursuant to the Iowa Code.

c. Modified allowable growth supplemental amount requests may be brought before the committee for unusual, unique or unforeseeable circumstances.

d. Modified allowable growth supplemental amount requests shall be considered only to the extent of the actual, documented costs.

ITEM 7. Amend subrule 6.3(10) as follows:

**6.3(10) Modified ~~allowable growth supplemental amount~~ to an AEA.** If the SBRC approves modified allowable growth supplemental amount for special education support services, approves an additional amount to be added to district costs for media services or educational services, or approves modified allowable growth supplemental amount for unusual circumstances, the amount shall be included in the budget of each district in the AEA for the subsequent budget year in the proportion that the appropriate enrollment of each district in the AEA bears to the total enrollment of all districts in the AEA.

ITEM 8. Amend **289—Chapter 6**, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections 257.30, 257.31, 257.32, 257.40, and 298.10 and chapter 260C.